



6351-01-P

## COMMODITY FUTURES TRADING COMMISSION

### Agency Information Collection Activities Under OMB Review

**AGENCY:** Commodity Futures Trading Commission.

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995 (PRA), this notice announces that the Information Collection Request (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for review and comment. The ICR describes the nature of the information collection and its expected costs and burden.

**DATES:** Comments must be submitted on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**ADDRESSES:** Comments regarding the burden estimate or any other aspect of the information collection, including suggestions for reducing the burden, may be submitted directly to the Office of Information and Regulatory Affairs (OIRA) in OMB within 30 days of this notice's publication by either of the following methods. Please identify the comments by "OMB Control No. 3038-0078."

- By email addressed to: *OIRAsubmissions@omb.eop.gov* or
- By mail addressed to: the Office of Information and Regulatory Affairs, Office of Management and Budget, Attention Desk Officer for the Commodity Futures Trading Commission, 725 17th Street, NW, Washington DC 20503.

A copy of all comments submitted to OIRA should be sent to the Commodity Futures Trading Commission (Commission) by either of the following methods. The copies should refer to “OMB Control No. 3038-0078.”

- By mail addressed to: Christopher Kirkpatrick, Secretary of the Commission, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW, Washington, DC 20581;
- By Hand Delivery/Courier to the same address; or
- Through the Commission’s website at <http://comments.cftc.gov>. Please follow the instructions for submitting comments through the website.

Please submit your comments to the Commission using only one method. A copy of the supporting statement for the collection of information discussed herein may be obtained by visiting <http://RegInfo.gov>.

All comments must be submitted in English, or if not, accompanied by an English translation. Comments will be posted as received to <http://www.cftc.gov>. You should submit only information that you wish to make available publicly. If you wish the Commission to consider information that you believe is exempt from disclosure under the Freedom of Information Act, a petition for confidential treatment of the exempt information may be submitted according to the procedures established in § 145.9 of the Commission’s regulations.<sup>1</sup> The Commission reserves the right, but shall have no obligation, to review, pre-screen, filter, redact, refuse or remove any or all of your submission from <http://www.cftc.gov> that it may deem to be inappropriate for publication, such as obscene language. All submissions that have been redacted or removed that

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<sup>1</sup> 17 CFR 145.9.

contain comments on the merits of the ICR will be retained in the public comment file and will be considered as required under the Administrative Procedure Act and other applicable laws, and may be accessible under the Freedom of Information Act.

**FOR FURTHER INFORMATION CONTACT:** Jacob Chachkin, Special Counsel, Division of Swap Dealer and Intermediary Oversight, Commodity Futures Trading Commission, (202) 418-5496, email: [jchachkin@cftc.gov](mailto:jchachkin@cftc.gov), and refer to OMB Control No. 3038-0078.

**SUPPLEMENTARY INFORMATION:**

*Title:* Conflicts of Interest Policies and Procedures by Futures Commission Merchants and Introducing Brokers (OMB Control No. 3038-0078). This is a request for an extension of a currently approved information collection.

*Abstract:* On April 3, 2012, the Commission adopted Commission regulation 1.71 (Conflicts of interest policies and procedures by futures commission merchants and introducing brokers)<sup>2</sup> pursuant to section 4d(c)<sup>3</sup> of the Commodity Exchange Act (CEA). Commission regulation 1.71 requires generally that, among other things, futures commission merchants (FCM)<sup>4</sup> and introducing brokers (IB)<sup>5</sup> develop conflicts of interest procedures and disclosures, adopt and implement written policies and procedures reasonably designed to ensure compliance with their conflicts of interest and disclosure obligations, and maintain specified records related to those requirements.<sup>6</sup> The Commission believes that the information collection obligations imposed by Commission

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<sup>2</sup> 17 CFR 1.71.

<sup>3</sup> 7 U.S.C. 6d(c).

<sup>4</sup> For the definition of FCM, *see* section 1a(28) of the CEA and Commission regulation 1.3. 7 U.S.C. 1a(28) and 17 CFR 1.3.

<sup>5</sup> For the definition of IB, *see* section 1a(31) of the CEA and Commission regulation 1.3. 7 U.S.C. 1a(31) and 17 CFR 1.3.

<sup>6</sup> *See* 17 CFR 1.71.

regulation 1.71 are essential (i) to ensuring that FCMs and IBs develop and maintain the conflicts of interest systems, procedures and disclosures required by the CEA, and Commission regulations, and (ii) to the effective evaluation of these registrants' actual compliance with the CEA and Commission regulations.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. On April 9, 2019, the Commission published in the *Federal Register* notice of the proposed extension of this information collection and provided 60 days for public comment on the proposed extension, 84 FR 14098 (60-Day Notice). The Commission did not receive any relevant comments on the 60-Day Notice.

*Burden Statement:* The Commission is revising its estimate of the burden for this collection to reflect the current number of registered FCMs and IBs. Accordingly, the respondent burden for this collection is estimated to be as follows:

*Estimated Number of Respondents:* 1,244.

*Estimated Average Burden Hours Per Respondent:* 44.5.

*Estimated Total Annual Burden Hours:* 55,358.

*Frequency of Collection:* As applicable.

There are no capital costs or operating and maintenance costs associated with this collection.

(Authority: 44 U.S.C. 3501 *et seq.*)

**Dated:** June 25, 2019.

**Robert Sidman,**

*Deputy Secretary of the Commission.*

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